

## RESOLUTION NO. \_\_\_\_\_

**RESOLUTION AUTHORIZING AND APPROVING THE ISSUANCE, SALE AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS (MEADOWOOD APARTMENTS PROJECT) SERIES 2007A AND TAXABLE SERIES 2007B; APPROVING THE FORM AND SUBSTANCE AND AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS; AND AUTHORIZING OTHER ACTIONS.**

**WHEREAS**, Austin Housing Finance Corporation (the "Corporation") has been duly created and organized by action of the City Council of the City of Austin, Texas (the "Sponsoring Governmental Unit") under the provisions of the Texas Housing Finance Corporations Act, Chapter 394, Texas Local Government Code, as amended (the "Act"), for the purpose of providing a means of financing the costs of residential ownership and development that will provide decent, safe and sanitary housing for persons of low and moderate income at prices they can afford, and

**WHEREAS**, the Act authorizes the Corporation to issue bonds to defray, in whole or in part, the development costs of a residential development, and

**WHEREAS**, the Board of Directors of the Corporation (the "Board") has determined to authorize the issuance of the Corporation's Multifamily Housing Revenue Bonds (Meadowood Apartments Project) Series 2007A (the "Series A Bonds") and Taxable Series 2007B (the "Series B Bonds") (collectively, the "Bonds"), pursuant to and in accordance with the terms of a Trust Indenture (the "Indenture") by and between the Corporation and the trustee named therein (the "Trustee"), for the purpose of obtaining funds to finance the Project (defined below), all under and in accordance with the Constitution and laws of the State of Texas, and

**WHEREAS**, the Corporation desires to loan the proceeds of the Bonds to a non-profit corporation, San Antonio Alternative Housing Corporation No. 15 (the "Borrower"), in order to finance the costs of acquisition and rehabilitation of the residential rental project described in Exhibit A attached hereto (collectively, the "Project") located within the State of Texas and the units therein required pursuant to Section 142(d) and 145 of the Internal Revenue Code of 1986, as amended, to be occupied by persons and families of low and families of moderate income, as determined by the Corporation and pay costs of issuance of the Bonds, and

**WHEREAS**, the Corporation and the Borrower will execute and deliver a Loan Agreement (the "Loan Agreement") pursuant to which the Corporation will agree to lend funds to the Borrower to enable the Borrower to finance the Project with such obligation evidenced by promissory notes (collectively, the "Note"), and

**WHEREAS**, it is also anticipated that the Borrower will execute and deliver a First Deed of Trust, Security Agreement and Assignment of Rents, Security Agreement and Fixture Filing (collectively, the "Mortgage") pursuant to which the Borrower will grant a lien upon and security

interest in the respective properties in favor of the Corporation and the Trustee as security for, among other things, the performance of the Borrower's obligations under the Loan Agreement and the Corporation has assigned its interest in the Project to the Trustee pursuant to an Assignment of Lien and Security Interest from the Corporation to the Trustee (the "Assignment"), and

**WHEREAS**, the Board has determined that the Corporation, the Trustee and the Borrower will execute the Regulatory Agreement and Declaration of Restrictive Covenants to be dated as of May 1, 2007 (the "Regulatory Agreement"), with respect to the Project which will be filed of record in the real property records of the county in which the Project is located, and

**WHEREAS**, the Board has further determined that the Corporation will enter into a Bond Purchase Agreement (the "Bond Purchase Agreement") with the Borrower and Wachovia Bank, National Association (the "Bond Purchaser"), setting forth certain terms and conditions upon which the Bond Purchaser will purchase the Bonds from the Corporation and the Corporation will sell the Bonds to the Bond Purchaser, and

**WHEREAS**, the Board has examined proposed forms of the Indenture, the Loan Agreement, the Note, the Mortgage, the Regulatory Agreement and the Bond Purchase Agreement, all of which are attached to and comprise a part of this Resolution, has found the form and substance of such documents to be satisfactory and proper and the recitals contained to be true, correct and complete, and has determined to authorize the issuance of the Bonds, the execution and delivery of such documents and the taking of such other actions as may be necessary or convenient in connection therewith,

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF THE AUSTIN HOUSING FINANCE CORPORATION:**

**Section 1.1 - Issuance, Execution and Delivery of the Bonds** That the issuance of the Bonds is hereby authorized, under and in accordance with the conditions set forth in the Indenture, and that, upon execution and delivery of the Indenture, the authorized representatives of the Corporation named in the Resolution each are authorized hereby to execute and attest the Bonds and to deliver the Bonds to the Attorney General of the State of Texas for approval, the Comptroller of Public Accounts of the State of Texas for registration and the Trustee for authentication (to the extent required in the Indenture), and thereafter to deliver the Bonds to the order of the Bond Purchaser pursuant to the Bond Purchase Agreement. The aggregate principal amount of the Series A Bonds is \$9,335,000 and the aggregate principal amount of the Series B Bonds is \$310,000. The interest rate for the Series A Bonds is 5.53% per annum and the interest rate for the Series B Bonds maturing is 6.925% per annum.

**Section 1.2 - Approval, Execution and Delivery of the Indenture** That the form and substance of the Indenture are hereby approved, and that the authorized representatives of the Corporation named in this Resolution each are authorized hereby to execute and attest the Indenture and to deliver the Indenture to the Trustee.

**Section 1.3 - Approval, Execution and Delivery of the Loan Agreement, the Note and Regulatory Agreement; Acceptance of Mortgage and Assignment** That the form and substance of the Loan Agreement, the Note and the Regulatory Agreement are hereby approved, and that the authorized representatives of the Corporation named in this Resolution each are authorized hereby to execute and attest the Loan Agreement and the Regulatory Agreement, provided further that the form and substance of the Mortgage and Assignment are hereby approved and the Mortgage and Assignment are hereby accepted by the Corporation and that the authorized representatives of the Corporation named in this Resolution each are authorized hereby to execute and attest any instruments in connection with the Mortgage and Assignment

**Section 1.4 - Approval, Execution and Delivery of the Bond Purchase Agreement** That the sale of the Bonds to the Bond Purchaser is hereby approved, that the form and substance of the Bond Purchase Agreement are hereby approved solely with respect to the Bonds, and that the authorized representatives of the Corporation named in this Resolution each are authorized hereby to execute and attest the Bond Purchase Agreement solely with respect to the Bonds and to deliver the Bond Purchase Agreement to the Borrower and the Bond Purchaser solely with respect to the Bonds

**Section 1.5 - Execution and Delivery of Other Documents** That the authorized representatives of the Corporation named in this Resolution each are authorized hereby to execute, attest and affix the Corporation's seal to such other agreements, commitments, assignments, bonds, certificates, contracts, documents, instruments, releases, financing statements, letters of instruction, notices of acceptance, written requests and other papers, whether or not mentioned herein, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution.

**Section 1.6 - Exhibits Incorporated Herein** That all of the terms and provisions of each of the documents listed below as an exhibit shall be and are hereby incorporated into and made a part of this Resolution for all purposes

Exhibit A - Indenture  
Exhibit B - Loan Agreement  
Exhibit C - Regulatory Agreement  
Exhibit D - Mortgage  
Exhibit E - Bond Purchase Agreement  
Exhibit F - Assignment

**Section 1.7 - Power to Revise Form of Documents** That, notwithstanding any other provisions of this Resolution, the authorized representatives of the Corporation named in this Resolution each are authorized hereby to make or approve such revisions in the form of the documents attached hereto as exhibits as, in the judgment of such authorized representative or authorized representatives, and in the opinion of McCall, Parkhurst & Horton L L P and Rafael Quintanilla, Co-Bond Counsel to the Corporation, may be necessary or convenient to carry out or

assist in carrying out the purpose of this Resolution, such approval to be evidenced by the execution of such documents by the authorized representatives of the Corporation named in this Resolution

**Section 1.9 - Authorized Representatives** That the President, Vice President and Secretary are hereby named as authorized representatives of the Corporation for purposes of executing, attesting, affixing the Corporation's seal to, and delivering the documents and instruments referred to herein

ADOPTED \_\_\_\_\_, 2007

ATTEST

  
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Shirley A. Gentry  
Secretary

*Draft*